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ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM

801 East Jefferson, Phoenix AZ 85034 PO Box 25520, Phoenix AZ 85002 **phone** 602 417 4000 www.ahcccs.state.az.us

MEMORANDUM

TO: All AHCCCS Managed Care Contractors

FROM: Kate Aurelius. Assistant Director

Division of Health Care Management

RE: National Provider Identification Number Work Plan Requirement

Date: April 21, 2006

The next steps in HIPAA implementation and compliance is the adoption of the National Provider Identification number (NPI). In order to assure that adoption of NPI does not negatively impact the AHCCCS service delivery system, we are requiring each contractor to develop and submit an NPI project plan.

Please complete a Project Development Plan (format attached), as well as provide any detailed work plans which will address the following elements, by **May 15, 2006 and submit it via email to lori.petre@azahcccs.gov:**

1. What approach will you be using to adopt NPI?

For example, AHCCCS will have providers submit claims with the NPI, use a table to translate that number into the 6 digit AHCCCS number, and process the claim. It will be invisible to providers. This allows us to continue to process claims for that small number of provider types that will not be issued an NPI (i.e., cab companies).

2. Please include a timeframe with milestones for adopting NPI.

The plan must assure that Contractors systems will be ready for the following tasks on the following dates:

- A. Transaction Format changes to the 837 must be implemented by **October 1, 2006**.
- B. When your plan will begin testing with AHCCCS to transmit 837s with the NPI.
- C. Plans ability to accept and process claims beginning **May 23, 2007**.

AHCCCS will review your work plan and monitor you progress with it on an ongoing basis.